Also Urges Faster Movement on Shallow Water Permitting
October 4, 2010

WASHINGTON, D.C. – Today, Congressman Charlie Melancon (LA-03) spoke again with Administration officials and urged them to immediately end the deepwater drilling moratorium in the Gulf of Mexico. In a discussion with Director Michael Bromwich of the federal Bureau of Ocean Energy Management, Regulation and Enforcement (BOEM), Congressman Melancon emphasized the economic impact the moratorium was having on Louisiana's workers and small businesses.

Congressman Melancon also urged Director Bromwich to speed up the process for approving shallow water drilling permits, noting that only a handful of new drilling permits have been issued since late May when the shallow water moratorium was officially lifted. Lack of clarity about new drilling regulations and delays in the permitting process have created an unofficial, "de facto" moratorium on shallow water drilling in the Gulf since the BP disaster.

"When Director Bromwich held a public forum in Lafayette three weeks ago, I told him the Administration needed to lift the deepwater drilling moratorium immediately, and speed up the approval of shallow water permits," said Rep. Melancon. "In our conversation today, I emphasized again that the Administration's moratorium is hurting Louisiana's workers and small businesses, and we've had enough.

"Director Bromwich heard our voices today, and assured me that the deepwater moratorium could be lifted by Secretary Salazar any day now. He also expressed to me his commitment to speeding up the shallow-water permitting process, and said he is pushing his staff to approve new drilling applications without delay. While some progress has been made, the Administration still needs to stop dragging its feet on allowing safe drilling operations to resume. Now that the new safety regulations are in place, Louisiana wants to get back to work producing energy to fuel our nation."

The offshore energy industry is a major economic engine for south Louisiana, providing thousands of jobs and supporting numerous locally-based service companies in Congressman Melancon's Congressional district.

Congressman Melancon has been pressing the federal government since May to end the moratorium

on deep-water drilling and speed up the permitting process for shallow water drilling applications. In July, the House of Representatives passed Congressman Melancon's amendment to lift the official moratorium on deepwater drilling and end the "de facto" moratorium that is preventing new shallow water permits from being issued. The Melancon Amendment would prevent the Department of the Interior from delaying permits, and instead require decisions to be made within 30 days. The amendment would also require the Department to issue all new safety requirements by the date of the bill's enactment.

The <u>Melancon Amendment</u> would also immediately lift the deepwater moratorium on offshore drilling for companies that meet the new safety requirements issued by the Department of the

Interior in the wake of the explosion. Specifically, the amendment mandates that if an application for a permit to drill complies with the "Notice to Lessees" 5 and 6, complies with any further safety measures recommended by the Secretary, and has completed all required safety inspections, the moratorium will not apply to the drilling application. The Senate failed to pass the Melancon Amendment before adjourning last week for the next six weeks.

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